Building a New Defense Consensus

By MICHAEL B. DONLEY

At least two certainties exist besides death and taxes: defense build-ups end and defense reductions must eventually end too. This Nation has ridden a roller coaster of increases and decreases in defense spending four times in the last five decades. History shows that such declines normally stopped in response to a foreign policy crisis or on the eve of war. The most recent reduction is in its ninth year, having begun in the 1980s and gaining momentum with the breakup of the Soviet Union. We must develop an alternate approach to this current trend in spending that does not condemn us to repeat the mistakes of the past.

Since FY87 total defense outlays have declined 23 percent in constant dollars, with overall investment in research and development, procurement, construction et al., down 30 percent. The defense share of gross domestic product (GDP) has fallen by a third to 4.3, the lowest since 1948. Active military personnel—who have been reduced on average by 80,000 each year—are projected to reach a pre-Cold War level of 1.6 million in 1994. And some 300 major and minor installations are slated for closure or realignment, a list that will grow next year.[1]

Defense decisionmakers and analysts ask when reductions will cease. President Clinton expressed hope in a State of the Union address that Congress would not cut defense further than already proposed; but the ultimate outcome is unclear. The FY95 budget allows for continued real declines in defense budget authority and outlays through FY99, although at a lesser rate in the final two years.[2] The end to cuts appears to be unrelated to the calendar or to a particular level of deficit reduction. It is neither connected to minimally acceptable force levels nor specific requirements of an evolving post-Cold War strategy. So how will we know when the drawdown is completed? Or whether defense cuts have gone too far?

If past experience is repeated analysts and interest groups representing various sectors will critique foreign and defense policy on all sides. From a fiscal perspective there will never be a good time to stop the de-

Summary

Defense budgets have had their ups and downs since the end of World War II. The current decline in defense is cutting deeper and lasting longer than many observers think wise. Absent a national security crisis, revitalizing defense resources will be a difficult and complex process which must factor in strategic uncertainties and fiscal constraints while avoiding partisanship. This suggests the need to review the historical record of defense budget cycles, weigh the resource decisions that lie ahead, and consider those opinions which count in any effort to build a new defense consensus. By targeting the political center, shifts in defense spending can be moderated and popular support generated in lieu of less effective crisis response and factional debates that aggravate the budget process. This process boils down to forging a stable bipartisan approach to defense policy.

crease in spending. Both defense officials and military leaders could be torn between exercising their professional judgment and cleaving to decisions made by their chains of command. The President's budget will be defended, but a leaking game might begin. Suspicion and mistrust could divide decisionmakers. A growing defense debate could take on partisan political overtones, as happened in 1960 and 1980. And it is possible that the debate might not end—Congress being truly unsure of what to do—until the Nation is faced with a national security crisis.

Unfortunately, such a scenario is familiar and undesirable. It suggests a perverse political logic that relies on foreign policy setbacks to preserve defense. But it is equally undesirable for a defense program to rely on presumptive or optimistic foreign policy outcomes. A more prudent approach should be found that is less dependent on assumptions about international events, more fiscally stable, and more firmly grounded in a long-term perspective of U.S. interests. In sum, we should not wish for a foreign policy crisis and, more to the point, military and civilian leaders should consider the possibility that the Department of Defense (DOD) and Congress might have to depend on their own initiative to prevent a steady erosion of defense capabilities.

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Decisionmakers need fresh thinking and more rigorous analyses about when to stop cutting defense. The following discussion offers a three-part assessment of this problem:

- an historical perspective on the cyclical nature of declines in defense spending
- a deeper look into the current defense management agenda, what potential decisions lie ahead, and how further analysis might provide criteria to determine military sufficiency
- a review of whose opinions matter so that subsequent efforts to fashion a bipartisan consensus on defense can be targeted at the right audience.

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Members of the 25th Infantry Division departing for Tandem Thrust '93

U.S. Army (Kevin Thomas)

In turn, such an assessment may proffer broad principles that could become the foundation of a new bipartisan defense consensus and could encourage rational alternatives which are less prone to fiscal inefficiencies and national risks associated with crisis response.

Historical Perspectives

A brief look at defense build-ups and downsizing can be instructive in thinking about how to create a consensus. The peaks and valleys in defense spending over the last fifty years relate to World War II, the Korean and Vietnam conflicts, and the Reagan era. These four episodes can be seen from various perspectives, from budgetary emphasis on build-ups to the economic impact of reduced spending.[3] Of particular interest are the relationships among foreign, defense, and fiscal policies during inter-conflict periods. These periods—the valleys through which the policies of the post-war era evolved and which preceded decisions to rebuild defense assets—can provide added insights for decisionmakers as they evaluate the development of a consensus to end downsizing.

Post-World War II. In the months and years after World War II the attention of American policymakers shifted to Soviet expansionism. This became evident in political and economic terms through the Marshall Plan and Truman Doctrine, then in collective security agreements and military assistance programs. U.S. national security policy depended on overwhelming economic strength, a nuclear monopoly, and an ability to mobilize as carried out between 1939 and 1942. Prominent issues included unification of the Armed Forces under the National Security Act of 1947, a debate over which service would be responsible for delivering nuclear weapons, and universal military training. As one historian noted, preparedness was perceived as the ability to mobilize quickly in the event of war rather than to maintain ready forces to prevent war.[4]

Economic policy was focused on suppressing inflation and balancing the budget. President Truman adopted a so-called remainder method for calculating the defense budget, subtracting all domestic expenditures from projected revenues before setting an appropriate level for defense. His experience as chairman of a wartime Senate committee investigating military waste, and the intense interservice rivalry of the late 1940s, led to Truman's belief that—with proper management and organization and reliance on swift mobilization—the military could make do with fewer resources.[5] The Bureau of the Budget held that the economy could not stand the deficit thought necessary to finance a larger defense establishment.[6] Thus the steadily growing requirements of containment were neither fully recognized nor considered affordable in the context of prevailing fiscal policies.

It took Soviet explosion of a nuclear device in 1949, the fall of China, and a comprehensive policy review in NSC–68 to eventually press home that post-war strategy and fiscal priorities were disconnected; and the outbreak of the Korean War finally galvanized foreign and defense policy. Most notably, the use of American forces in Korea reversed three years of policy development and military planning which had previously concluded that such a commitment would be avoided.[7] The first post-war defense build-up was thus underway, but not without a cost. During the first month of the Korean conflict the United States sustained a series of tactical defeats and over 6,000 casualties before stabilizing a slim 140-mile perimeter around Pusan.

Post-Korea, Pre-Vietnam. The perception that America faced an intractable and global foe with a large, nuclear capable force led to a build-up that lasted beyond the end of the Korean War. Thus, post-war downsizing did not reach pre-war levels. After hitting a peak, manpower leveled off at around 2.6 million men, compared with 1.4 million in 1950. In the Korean conflict the United States established a substantial presence in Europe and initiated steady growth in nuclear forces.

America built and deployed forces abroad to both contain Soviet expansionism and fight on short notice if deterrence and crisis management failed. By 1960 nearly 700,000 U.S. troops were stationed overseas. In addition, serious programs were undertaken for continental air defense and civil defense. Throughout the mid-1950s and early 1960s there was a series of international crises involving the use or threatened use of force, including confrontations with the Soviet Union over Berlin (twice) and Cuba. At the same time, however, strategic thinking gravitated from problems of general and nuclear war toward deterrence and limited war. Military doctrine, in simple terms, shifted from Massive Retaliation to Flexible Response, although the United States would still rely on nuclear forces to defend Europe. The rise of national independence movements and breakup of colonial empires intensified Cold

M–1 Abrams tanks in the Saudi desert.

U.S. Army

War competition in the Third World. America also maintained a considerable military assistance program and strengthened its unconventional warfare capabilities.

By 1963 the Armed Forces sustained 42 casualties among the 23,000 advisors in Vietnam, foreshadowing a decade of upheaval not only in U.S. national security policy but also domestic politics and national priorities. Yet it was in the post-Korean War era that the Nation continued to focus on the Soviet threat, developed a bipartisan consensus on foreign policy, built a Cold War defense establishment commensurate with the policy of containment, and sustained significant defense expenditures without damage to America's economy and rising standard of living.

Post-Vietnam. The 1970s were a period of multipolarity abroad and turmoil at home. America was bruised domestically by Vietnam, Watergate, and critical reviews of the intelligence community. Europe and Japan were stronger economically, rifts among communist countries were openly visible, the Middle East faced another war, and international terrorism presented a growing threat. In his Guam Doctrine President Nixon stated that the United States would provide a nuclear shield for vital allies and in cases of Third World aggression would provide military and economic assistance when requested, but would look to the nation directly threatened to furnish manpower in its own defense. Containment was now pursued through détente, which emerged as a means of controlling conflict with the Soviet Union and featured arms control as one of its centerpieces. But even with the Anti-Ballistic Missile (ABM) Treaty and the Strategic Arms Limitation Talks (SALT) agreement in place, and follow-on negotiations, there was debate through the mid-1970s over the growth and modernization of Soviet nuclear and conventional forces.

past experience and national attitudes are relevant to shaping current and future policy

Among the important changes in policy were the end of conscription and the transition to an all volunteer force that would include more women. There were major foreign and defense policy debates over the B–1 bomber, Panama Canal treaty, Selective Service registration, and SALT II. Except for Panama, these issues reflected an underlying concern that Moscow had achieved at least nuclear parity with the United States, and that conventional defense of Europe was thus even more problematic. Uncertainty over Soviet intentions was bolstered by disputed interpretations of arms control agreements and Soviet-Cuban adventurism in Angola, the Horn of Africa, and Nicaragua.

Meanwhile, Federal spending priorities had shifted dramatically. Domestic expenditures increased by about 50 percent in real terms. Between 1973 and 1980 the defense share of outlays dropped from 34 to 23 percent, and the defense burden on GDP fell from 6.9 to 5.1 percent. The defense budget was essentially stagnant, struggling to cope with the impact of large increases in the price of oil and high inflation. By 1979 active duty manpower was nearly 25 percent lower, and defense investment accounts were 28 percent lower after inflation, than the pre-Vietnam levels of 1963. Low personnel retention and spare parts shortages caused a decline in readiness. Once again, however, international events served as the key catalysts for change. The Iranian revolution and subsequent hostage crisis, the Soviet invasion of Afghanistan, and then a failed hostage rescue mission inside Iran combined in late 1979 and early 1980 to highlight the need for greater attention to defense and produce a political climate to support it.

Applying Historical Experience in the Post-Cold War Era. The events described above are within the living memory of many foreign and defense policymakers, and those which have occurred since the early 1960s are within the span of their personal experience. Leaders today can be reminded of the American tendency toward isolationism before World War II and lack of overall preparedness prior to Korea; some have poignant first hand experience of the Vietnam quagmire, the lack of readiness in the 1970s, and most recognize the fiscal consequences of deficit spending in the 1980s. They also appreciate the benefits of the last build-up and what it took to succeed in the Gulf War.

Past experience and national attitudes are thus relevant to shaping current and future defense policy. They constitute the

backdrop of an era of strategic ambiguity, an era that began with the erosion of Moscow's influence in Eastern Europe, German reunification, and break-up of the Soviet empire. National policies, regional alliances, and global institutions continue to adapt, but the character of the strategic landscape is unclear. The evolution of Russia and China—both critical to a myriad of U.S. interests in Europe and the Pacific—cannot be predicted.

Changes prompted by the end of the Cold War argue for force structure adjustments along the lines of those undertaken between 1990 and 1993; an ambiguous era does not demand a buildup. But at the same time it does not argue for an open-ended decline in capabilities. As DOD and Congress debate the purpose of two major regional contingencies as planning scenarios, a number of recent and continuing commitments in which the Armed Forces play a role suggest the enduring need for a highly trained, well equipped military that can be deployed in widely separated areas and be supported by a range of capabilities in strategic depth. Experience shows that substantial forces have been committed in places where prior strategic analysis concluded they would not be needed.

A second major feature on the post-Cold War landscape is the problem of fiscal constraints. As a result of the Omnibus Budget Reconciliation Act (OBRA) of 1993, projected budget deficits are down from $235 billion in FY94 to $165 billion in FY95, with moderate growth to over $180 billion in FY99. As a percent of GNP deficits will fall from 4 to 2 percent, well below the post-war high of 5.2 percent in FY83. However, the effects of previous deficits will linger in annual payments for net interest on the national debt, now projected at 14 percent of the budget each year through FY99.[8]

But more troubling is the large projected increase in mandatory entitlement spending, from $730 billion in FY94 to $1,051 billion in FY99. The total budget share devoted to this spending increases from 46 to 57 percent over the same period. Thus, the growth in domestic entitlement programs which began in earnest in the late 1960s and 1970s is now joined by the effects of 1980s deficit spending in an imposing fiscal trend: the FY95 budget projects that by FY99 entitlement spending and net interest will account for over 70 percent of annual outlays. The combined trends suggest an historically familiar pattern, a political preference for both budgetary growth in domestic entitlement spending and budgetary restraint in discretionary programs such as national defense.

The challenge, then, is twofold: first to reconcile strategic ambiguity and requirements for forces with a reduction in capabilities, and second to prevent planned reductions from spinning out of control as a result of budgetary pressures. This discussion proceeds from the assumption that these are the prevailing conditions and trends defining the political environment in which changes to defense policy can potentially take root, and further, that at present—absent a crisis—successful changes are more likely to result from incremental adjustments. We must crawl before we walk. Strategic instability, ambiguity on the international horizon, and domestic constraints are important starting points; efforts to establish a new consensus for a strong defense must recognize and work within the constraints of this environment.

The Current Agenda

In thinking about how and where to draw the line against reductions, defense officials must be clear about current priorities, the most significant problems to be avoided, and what the future holds if current trends continue. This allows for many functional, service, and joint perspectives, but defense policymakers need a common view of a core management agenda and of how to measure progress on this agenda. Recent Secretaries of Defense have faced similar challenges in this period of rapid change: how to manage a significant downsizing of the Armed Forces and where to set a lower limit while providing the Nation with the capabilities to remain engaged in a world more complex than that of the Cold War. In response, defense leaders made a straightforward decision in 1990–92 to reduce the size of the military to protect readiness and modernization. It is the high quality of personnel, training, maintenance, and logistics that yields readiness, and it is readiness and superior technology—together with global communications, intelligence, transportation, and power projection—that combine to distinguish our Armed Forces as the finest in the world.

While the details have been debated, there has been a strong consensus that this

U.S. Navy (David W. Hanselman)

USS Normandy **deploying to the Adriatic for Sharp Guard.**

U.S. Navy (Mike Poche)

SEAL aiming M–4 equipped with M–203 grenade launcher.

resource allocation framework is appropriate for a new environment and significant defense reductions. No one wants a hollow force. With the Soviet Union and Warsaw Pact gone, the size of U.S. forces will give way to an emphasis on quality and technology. Many accounts, program elements, and mission areas have been reduced over the past eight years, but this allocation framework—cutting force structure to pay for readiness and modernization—has recently provided a template for major decisions and planning guidance. It is found in the President's FY95 budget message to Congress: "We can maintain our national security with forces approved in the Bottom-Up Review (BUR), but we must hold the line against further defense cuts in order to protect fully the readiness and quality of our forces."

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That framework, however, has been steadily eroded as budget realities have set in. Forces are being reduced through FY90–FY99 as planned in the base force, and now BUR: from 28 active and Reserve divisions to 15, from 16 aircraft carriers to 12, and from 36 active and Reserve tactical fighter wing equivalents to 20. Such reductions alone have not provided savings sufficient to meet falling budget authority or tight outlay ceilings. FY94 defense procurement is down 50 percent in real terms from FY90 levels, and congressional committees note that FY94 outlay targets reduced operations and maintenance as well as research and development accounts below prudent levels. Of the $104 billion in savings from the Bush baseline forecast between FY95 and FY99, BUR estimates 23 percent will come from force structure and over 50 percent from investment.[9]

From a fiscal perspective no significant relief is in sight. The budget deficit and continuing growth in entitlements will substantially limit efforts to raise defense spending. As DOD looks to the mid- to late-1990s, it is becoming more clear that readiness and modernization are far from immune to cuts; and the force structure outlined in BUR is potentially unsustainable. Protecting an adequate level of readiness, a reasonably sized force structure, and minimal modernization seems now to depend more than ever on necessary but uncertain savings from infrastructure cutbacks and acquisition reform as well as forecasts of low inflation.

This situation will require defense officials to emphasize their resource allocation priorities internally and with Congress to prevent loss of focus. Developing a meaningful baseline on where defense stands today and where it should be, say, in three years is essential to restoring bipartisan support. The goal, it seems, should be to improve confi-

dence in the ability to arrive analytically at collective judgments with Congress about the status of its highest priorities.

There appear to be five major management priorities: protecting readiness, reducing force structure to BUR levels, protecting future technological superiority and continuing only essential modernization, establishing a new relationship with industry, and reducing support infrastructure. In each area DOD and Congress should build measures of merit, boundaries, goal posts, and tools to define criteria for satisfactorily attaining objectives. With regard to readiness, for example, one should be able to identify and articulate standards and components of readiness which are the most important to protect or further develop. Risks and implications of any force structure reductions beyond BUR should be thoroughly evaluated. Investment road maps should be developed in key mission areas to focus limited resources and clearly define the projected workload in key sectors of the defense industrial base.

In these and other areas defense leaders must develop a sense of where we are and are not succeeding, where we can squeeze harder and where we have squeezed too much. Internal DRB-level reviews could be organized around major priorities and perhaps scheduled on a regular basis. Alternatively, if DOD cannot articulate the benefits and limitations of its resource allocation framework, its strategic and management agenda, then there is less likelihood it can avoid a continued erosion in capabilities below those now forecast or build the support necessary to do something about it.

There are major decisions to make on packaging and articulating the management agenda, but potentially there are three areas of emphasis that, if developed thematically, could contribute to strengthening the consensus for a strong defense.

The first is readiness. Attention to readiness ensures that the President can respond quickly to crises by maximizing military capabilities. Regardless of the size of the Armed Forces, it should be argued, DOD owes America readiness and optimum effectiveness. This should be seen as not only a reflection of military necessity but as a compact between the Armed Forces and the people they serve.

Readiness is a combination of many factors but primarily a union of personnel, equipment, and training. If DOD is internally responsible for setting standards and requirements for training and equipment, then it can be said the Nation as a whole is responsible for setting the wages for military personnel. Congress and the American people owe service members the respect of decent compensation. There is always room for give and take, for commitment and reform in personnel policies. But self-assessment by the military is the key indicator since it is likely to be reflected in morale, retention, experience, and combat effectiveness. Mutual agreement by service members and Congress that compensation is fair and that readiness meets high standards is essential.

Given the experience of the late 1970s it would seem that agreement on this point still has broad appeal across the political spectrum. The concept of a compact between the American people and the military which provides ready forces could be considered among the potential cornerstones of a new defense consensus.

A second agenda item that could contribute to a consensus is infrastructure reduction and, more broadly, structural reform. Budget reductions and smaller forces have in many respects been propelled by base closures, consolidations, a roles and missions review, and DOD initiatives that were long overdue. Such structural reforms deserve careful attention. As experience with base closures suggests they may or may not produce near-term savings but should be pursued based on merit. At the same time DOD should not for the sake of budget savings pursue nor succumb to expedient management or command arrangements it will later regret. Each opportunity for reform will have its own unique programmatic characteristics.

Thus a second principle of a new defense consensus is that an end to defense cutbacks does not mean an end to structural reform. DOD has a self-interest in finding real savings and applying them productively and, by being aggressive, deterring outside meddling in internal affairs. It must thus sustain a genuine commitment to continuous self-evaluation. Congress must be confident that prudent steps are being taken to

Naval Historical Center

Helicopters waiting for fuel in Vietnam.

cut infrastructure and eliminate unnecessary duplication.

Acquisition reform is a third priority that can build confidence that the military is getting the most from every dollar. Here too the concept can be broadened to include not only how we are buying but what we are buying. Concentration of priorities should be more apparent as R&D and procurement shrink. By inference, DOD should have an increasingly solid rationale supporting its investment decisions and greater certainty about what it is unable to afford but needs. In evaluating whether to relax the budgetary pressure on defense, public and political opinions will be shaped by judgments of whether DOD is putting its scarce resources where they really belong.

the outcome of the defense budget debate will depend on the plurality in the middle

One should note that effectively using the defense management agenda faces uncertainties and shortcomings. Themes related to good stewardship through reductions in infrastructure, etc., may run headlong into political interests which support a strong defense by leaving local bases, units, or programs intact. But in general the current agenda has much to offer to the substantive debate over when to stop cutting defense.

With more explicit goals for each stated priority, the slippery slope can perhaps be replaced by steps suggesting limits to prudent reductions in readiness, force structure, and modernization as well as indicating that the potential savings from structural reform have limits. Conceptually, when Congress perceives that the engine of the defense management agenda is active and running on all component cylinders, and yet is unable to maintain a reasonably sized force structure and standards of preparedness and modernization, it may then conclude that the current downsizing should end.

The Right Audience

Unease over the pace and duration of the drawdown among defense experts in Congress is one sign that a wider debate may be forthcoming. Senate Republican leaders told the President in late 1993 that further cuts would seriously damage national security. Likewise, Democrats in the House arranged a quiet meeting with the President last December to outline what they believe is a disconnect between BUR strategy and forces. But Democrats on the House Budget Committee also warned the President of gridlock if his defense budget proposals departed from the agreed FY94 deficit reduction plan.[10]

The FY95 budget debate, then, was characterized by concerned groups on both sides of the defense spending issue who are maneuvering to influence the President and key committees amid uncertainty about the fundamental character of the strategic environment abroad and a long list of domestic priorities, including deficit reduction. The outcome of the defense budget debate for FY96 and beyond, however, will depend not on the few certain votes at each end of the spectrum, but on the plurality in the middle. Opinion leaders should not only be thinking about when, why, and how to determine when defense reductions have gone far enough, but also about how their judgments, once articulated, will be perceived by the plurality of congressional votes that make the difference. These are political moderates of both parties and members less active or opinionated on national security issues, more inclined to appreciate the range of important issues on the national agenda and to be open to both sides of an issue. Rebuilding a sustainable bipartisan consensus for a strong defense means rebuilding the political center.

Political centrists in general prefer to avoid being whipsawed by hard line views from either end of the political spectrum but

are inclined to take action when public opinion is clear. Opinion in support of increases or decreases in defense spending can and does influence government policy though research indicates perceptions of the arms race and budget deficit have been equally or more influential in generating changes in policy. Opinion research on defense spending also suggests groups supporting decreases are most likely to be effective when linked with other social forces to increase domestic spending or oppose tax increases, while groups supporting increases are most likely to be effective when public opinion can be mobilized against a particular incident damaging to American prestige. Overall, concludes another study, "the whole history of public opinion on military spending shows a remarkable susceptibility of public opinion to transient events."[11]

U.S. Air Force (Lem Robson)

American and Japanese aircraft during Cope North 94–1.

If such research is correct, a recitation of the scope of defense reductions since the peak of the mid-1980s is not itself likely to be perceived as sufficient reason to halt the current decline in defense spending. Research supports the view that crises change public opinion and government policy; but this is not the answer. A crisis can produce the support needed for effective foreign policy response or a commitment of forces. But sharp increases in defense spending that sometimes follow can disrupt budgeting and neither deter nor affect the outcome of the crisis at hand.

Absent a crisis the current defense management agenda must be used with the best possible effect. In the current environment, further contributions to debate should explicitly recognize the problem of strategic ambiguity and uncertainty, and the reality of other fiscal priorities, while making the case for the military and fiscal benefits of moderate, stable investment in defense. And as the military and civilian defense leaders in DOD and Congress have opportunities to shape the emerging debate, the moderate plurality should be the audience of choice.

History offers important insights into the lack of connectivity among foreign, domestic, and fiscal policies which has contributed to dramatic swings in defense spending. Except for the late 1950s, in the years between planned declines and sudden build-ups America squeezed defense spending between a fiscal preference for growth in domestic programs and/or deficit reduction, and optimistic foreign policies which reinforced the perception that we could safely cut defense. While the U.S. economy was large enough to shoulder even Cold War burdens without impairing a high standard of living, defense management efficiencies, mobilization policies, arms control, and allied burden-sharing have all been used as rationales for smaller budgets. With these rationales it seemed we could lessen tensions, share global leadership in a more balanced fashion, and avoid higher defense expenditures. Thus we have sometimes been reluctant to recognize important diplomatic and military trends; and when foreign policy reacts to an urgent threat defense capabilities have sometimes been insufficient to support it.

In applying such experience to the strategic environment of the mid-1990s, it appears the Nation must be prepared to live with ambiguity, uncertainty with regard to the evolution of former adversaries, and instability in its relations with allies. Such an approach would avoid over-reliance on responding to threats far in advance and mobilizing to meet them (something which we have not done very well in the past), and would downplay overly optimistic assumptions about influencing the internal politics of allies and potential adversaries alike. There is pressure for deficit reduction and more emphasis on domestic priorities. But America has the underlying economic strength to support with moderate, steady investment a defense establishment self-confident in its ability to adjust to sudden changes in foreign policy, from whatever source. Another overarching constant remains: the United States is responsible for making its way in the world. If this Nation is to be a leader in global affairs there is no substitute for tending to our own defense.

The problem for defense planners is not freefall but steady erosion: inexorable, unintended, marginal adjustments that blur priorities, shade requirements, mask real losses in capabilities, and quietly increase risk. Nevertheless, there is a defense management agenda that could contribute to an informed and productive debate over time, focused on building a political center needed to stop the decline and support stable long-term national security policies. This suggests principles around which a sustainable bipartisan consensus for a strong defense might be achieved in an atmosphere clouded by strategic uncertainties and hampered by fiscal constraints:

▼ The arrest of a continuing real decline in defense is not driven by a fabricated or inflated threat, but by a more sober, independent assessment of assets which the Nation must protect over the long haul.

▼ There is no urgent need for significant increases in defense spending that could threaten sound fiscal policy. A more sustainable approach to spending will simply avoid costly cyclical extremes. Stopping decline now rather than after a crisis makes good strategic and fiscal sense.

▼ The Nation should sustain a careful approach to committing forces. Being stronger and more independently prepared for rapid geopolitical changes and potential swings in foreign policy does not mean being more inclined to use force where the costs, benefits, and risks are uncertain.

▼ DOD owes the Nation a capable force, regardless of size. In turn, the American people owe service members fair compensation. Congress must be steadfast in maintaining this compact.

▼ An end to defense cuts does not mean an end to structural reform. All prudent steps will continue to be taken to reduce infrastructure and eliminate unnecessary duplication.

▼ DOD is putting scarce resources where they belong and striving to get the most from every dollar.

The emerging defense debate is far more fundamental than deciding whether to buy another carrier, which service is responsible for deep strike missions, the future of heavy armored forces, or even the next threat. These issues are important but will be resolved in due course. The larger question is whether the political center, absent a crisis, can define the Nation's role in the world, maintain the capabilities necessary to support it, and guard against foreign encroachment as well as domestic neglect. DOD and congressional leaders should prepare for this larger question which lies at the heart of annual budget skirmishes. Their preparations should include working through the military implications of strategic uncertainty and articulating what is needed for defense over the long haul, developing moderate and sustainable budget requirements that do not rely on major shifts in fiscal priorities, and developing broad principles that will resonate with the political center and establish a stable bipartisan approach for future defense policy. JFQ

NOTES

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[2] U.S. Department of Defense, *FY95 Department of Defense Annual Report to the President and Congress* (Washington: Government Printing Office, January 1994), p. B–2.

[3] See U.S. Department of Defense, *From War to Peace: A History of Past Conversions*, annex B, Report of the Defense Conversion Commission, LMI report DC 201R4 (Washington: Government Printing Office, January 1993). See also Lawrence Korb, "Growth and Decline of Accounts through the Defense Investment Cycle," *Defense Analysis*, vol. 9, no. 1 (April 1993), p. 89.

[4] Maurice Matloff, editor, *American Military History* (Washington: Government Printing Office, 1969), p. 539.

[5] Ibid. See also Harry S. Truman, *Memoirs*, vol. 2 (New York: Doubleday, 1956), p. 34, and David McCullough, *Truman* (New York: Simon and Schuster, 1992), p. 737.

[6] Sam Postbrief, "Departure from Incrementalism in U.S. Strategic Planning: The Origins of NSC–68," *Naval War College Review*, vol. 33, no. 2 (March–April 1980), p. 34.

[7] Ernest R. May, *"Lessons" of the Past: The Use and Misuse of History in American Foreign Policy* (New York: Oxford University Press, 1973), pp. 52–86.

[8] *Budget of the United States Government Fiscal Year 1995* (Washington: Government Printing Office, 1994), p. 235. See also historical tables on p. 242, and analytical perspectives on pp. 187, 214.

[9] U.S. Department of Defense, *Report on the Bottom-Up Review* (Washington: Government Printing Office, October 1993), p. 108.

[10] See *Aerospace Daily*, December 15, 1993; *Defense Daily*, December 10 and 23, 1993.

[11] T. Goertzel, "Public Opinion Concerning Military Spending in the U.S.: 1937–1985," *Journal of Political and Military Sociology*, vol. 15, no. 1 (Spring 1987), pp. 61–72; Thomas Hartley and Bruce Russett, "Public Opinion and the Common Defense: Who Governs Military Spending in the U.S.?," *American Political Science Review*, vol. 8, no. 4 (December 1992), p. 905.